

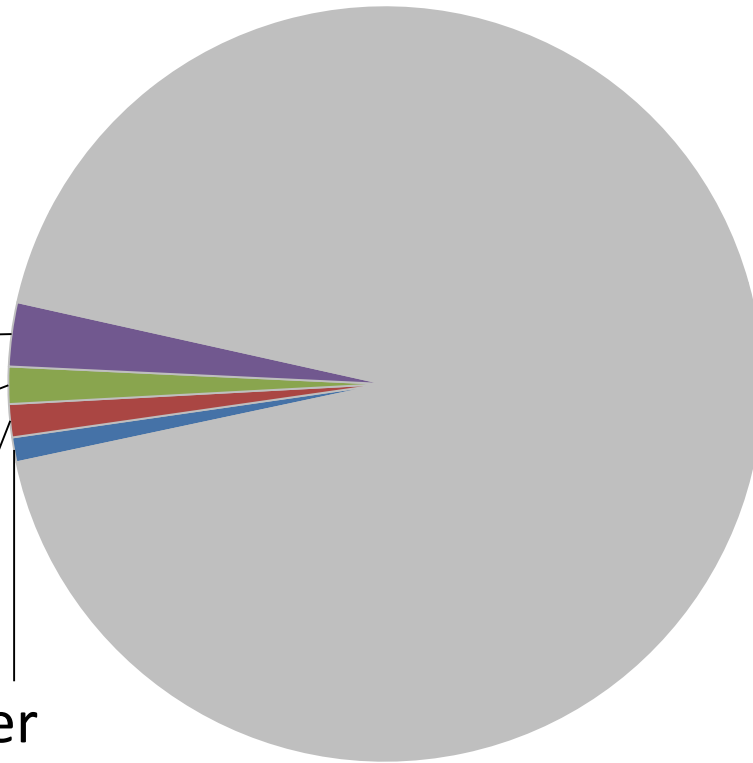
OVERVIEW OF MISCELLANEOUS TAXES

Joint House and Senate Finance, February 10, 2011
Heather Fennell, Research Division

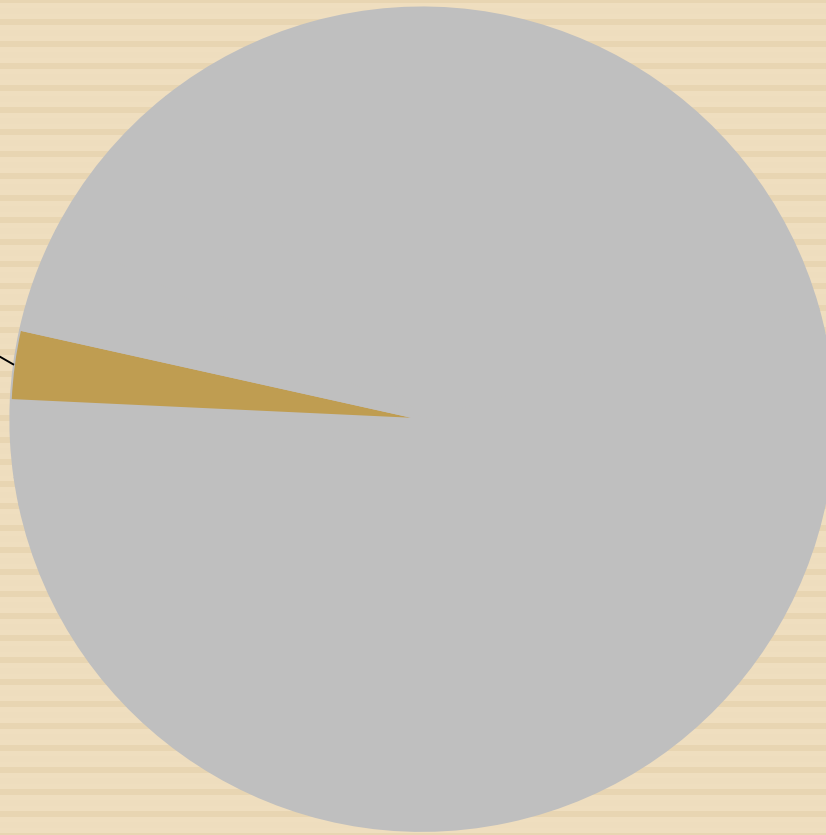
Insurance, ABC, tobacco, and other.

6.8% of
General Fund
Revenues

Insurance
\$487
ABC
\$282
Tobacco
\$252
Other
\$189



Insurance
\$487



Insurance - Gross Premiums Tax

2.74% of General Fund Revenues

Gross Premiums Tax

- ▣ Imposed on gross premiums covering all persons, property and risk.
- ▣ Rates:
 - 2.5% on gross premiums of workers' compensation policies.
 - 1.9% on gross premiums of all other insurance policies – including health policies.

Gross Premiums Tax

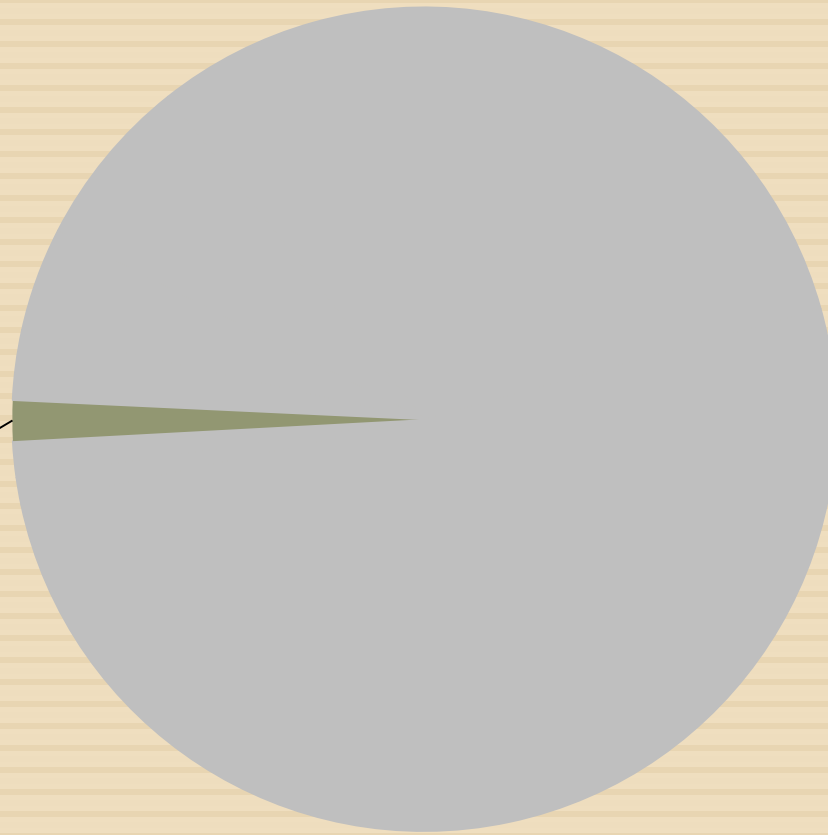
Additional Rate:

- Property Coverage – 0.74%
 - ▣ 10% of automobile physical damage coverage.
 - ▣ 100% of all other property coverage.

Distribution:

- 30% to Volunteer Fire Department Fund for grants.
- 25% to Fire Districts.
- Remainder to General Fund.

ABC \$282



Alcoholic Beverage Excise Taxes

1.59% of General Fund Revenues

Alcoholic Beverage Taxes

□ Rates:

- ▣ Beer – 61.71¢ per gallon.
- ▣ Unfortified wine – 26.34¢ per liter.
- ▣ Fortified wine – 29.34¢ per liter.
- ▣ Spirituous liquor – 30% of:
 - Distiller's price + ABC freight and bailment charges + local ABC markup.

Alcoholic Beverage Taxes - Distribution

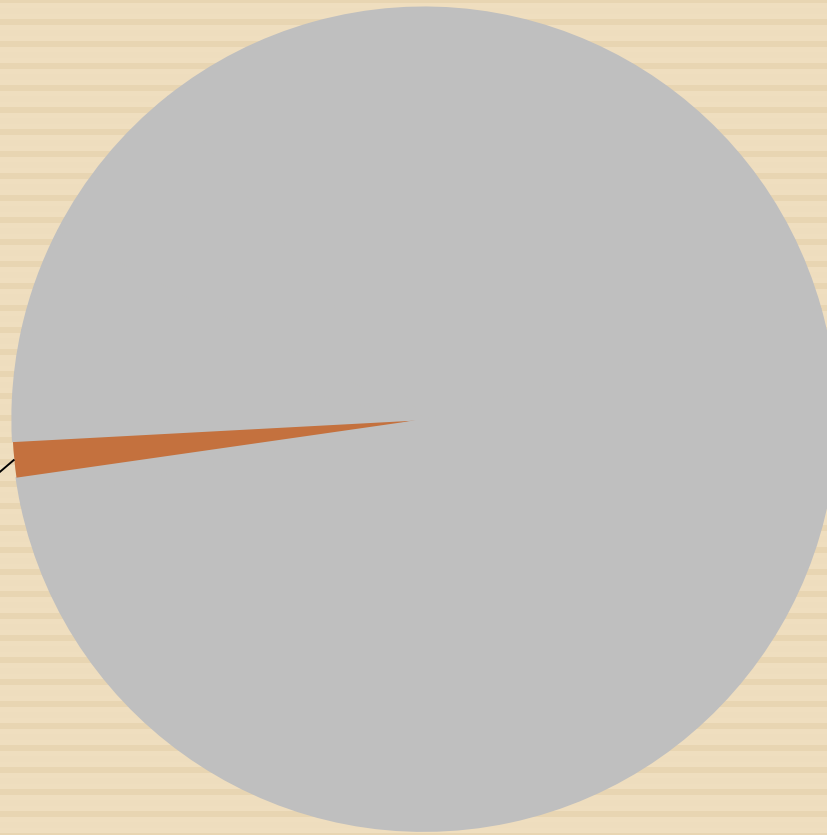
By statute:

- Local Governments:
 - ▣ Beer - 20.47%.
 - ▣ Unfortified wine - 49.44%.
 - ▣ Fortified wine – 18%.

2009 Budget:

- Local Governments:
 - ▣ Beer – 7.24%.
 - ▣ Unfortified wine – 18%.
 - ▣ Fortified wine – 6.49%.

Tobacco
\$252



Tobacco Products Tax

1.40% of General Fund Revenues

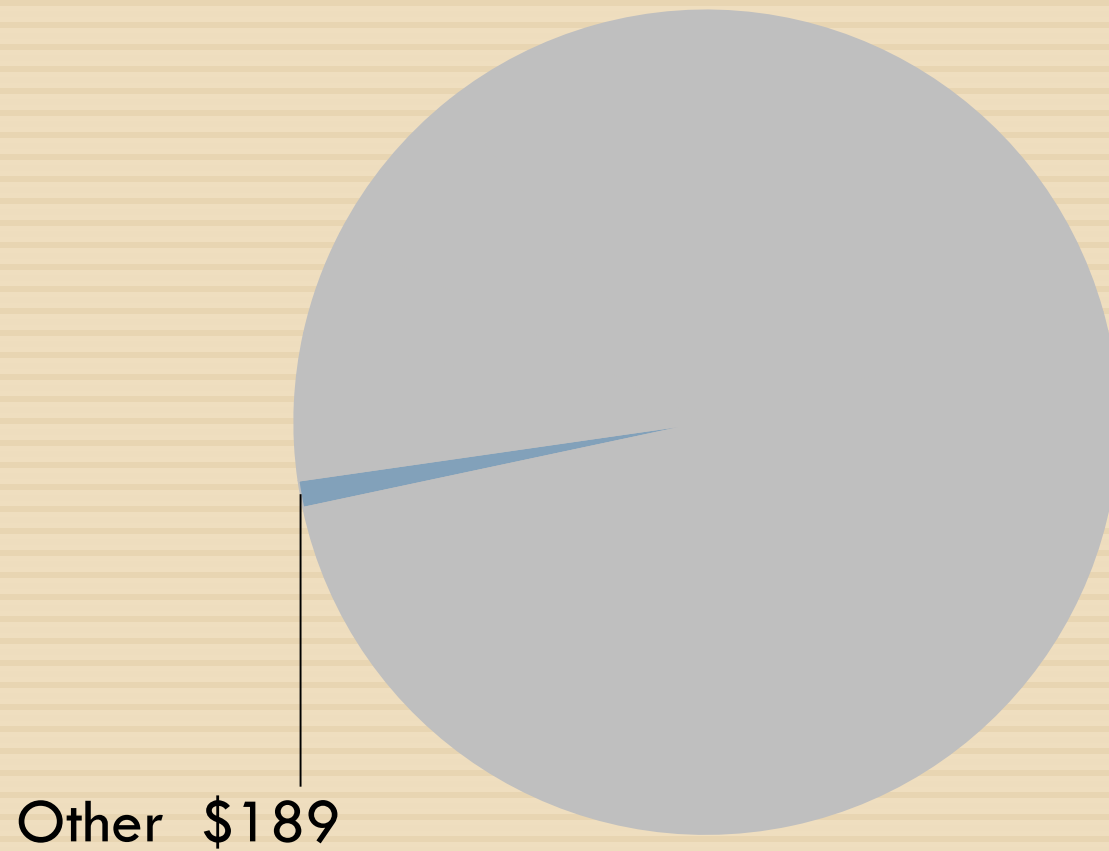
Tobacco – Cigarettes and OTP.

Cigarettes:

- Rate - 2.25¢ per cigarette, 45¢ per pack.
- Discount – 2% for filing timely report.
- Proceeds – General Fund.

Other tobacco products (OTP):

- Rate - 12.8% of the cost of the product.
- Discount – 2% for filing timely report.
- Proceeds – 3% of cost of product – GF.
Remainder - Cancer Fund.



“Other” Taxes

1.07% of General Fund Revenues

Freight Car Tax

- 3% of gross earnings of freight line companies.
- In place of property tax.



Piped Natural Gas

- ❑ Excise tax in lieu of sales tax.
- ❑ Tax rate based on monthly therm volumes of piped natural gas received by the end-user.
- ❑ Exemptions – Gas cities, manufacturers for use in operation of manufacturing facility, farmer for farming purpose.
- ❑ Distribution to cities

Piped Natural Gas

Monthly Volume of Therms Received	Rate Per Therm
First 200	\$.047
201 to 15,000	.035
15,001 to 60,000	.024
60,001 to 500,000	.015
Over 500,000	.003

State Privilege Taxes

- Most of the State privilege license taxes were repealed, effective July 1, 1997.

Amusements	3%
Motion Picture Shows	1%
Professionals	\$50
Installment Paper Dealers	.277% of face value of obligations/quarter
Loan agencies, check cashers, pawnbrokers	\$250/location
Banks	\$30 for each \$1M in assets
Newsprint publishers	\$15 on each ton that fails to meet the applicable minimum recycled content percentage required by law